REMARKS/ARGUMENTS

Responsive to the Final Office Action dated April 16, 2007, Applicants have filed a Request for Continued Examination and this Preliminary Amendment in which claim 31 has been cancelled and renumbered as new claim 30. Claims 1-30 are pending for prosecution. Claims 1 and 21 are independent. Claims 2-20 and 22-30 depend from claims 1 and 21 respectively.

Claim Objection

Claim 31 stands objected to because claim 30 is missing from the numerical listing of the claims. Claim 31 has been cancelled and renumbered as new claim 30. This amendment is believed to obviate the basis for the objection to the claim and Applicant therefore respectfully requests withdrawal of same.

The § 103 Rejection over Boushy et al and Bentz

Claims 1-2 and 21 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Boushy et al. (U.S. Patent No. 5,761,647) in view of Bentz. Claim 2 depends from claim 1. In view of the following remarks and for at least the following reasons, Applicant respectfully requests reconsideration and withdrawal of this rejection.

When determining the question of obviousness, underlying factual questions are presented which include (1) the scope and content of the prior art; (2) the level of ordinary skill in the art at the time of the invention; (3) objective evidence of nonobviousness; and (4) the differences between the prior art and the claimed subject matter. Graham v. John Deere Co., 383 U.S. 1, 17-18, 148 USPQ 459, 467 (1966). Moreover, with regard to the last prong of the

Graham inquiry, "[t]o determine whether there was an apparent reason to combine the known elements in the way a patent claims, it will often be necessary to look to interrelated teachings of multiple patents; to the effects of demands known to the design community or present in the marketplace; and to the background knowledge possessed by a person having ordinary skill in the art. To facilitate review, this analysis should be made explicit." KSR International v. Teleflex Inc., 127 U.S. 1727 (2007).

The person of ordinary skill in the art is a hypothetical person who is presumed to know the relevant prior art. Custom Accessories, Inc. v. Jeffrey-Allan Indus., Inc., 807 F.2d 955, 962, 1 USPQ2d 1196, 1201 (Fed. Cir. 1986). The level of ordinary skill in the art of player tracking can be determined by looking to the references of record. In re GPAC, Inc., 57 F.3d 1573, 35 USPQ2d 1116 (Fed. Cir. 1995). The references of record in this case reveal that a moderate level of sophistication is present in the area of casino marketing and player tracking and is associated with one of ordinary skill. Thus, Applicant submits that, as substantiated by the cited references, those with some experience in player tracking, including a well funded casino marketing group, or the like would most likely be a person with ordinary skill in the this field of endeavor.

With respect to objective evidence of nonobviousness, Applicant submits that the record supports the conclusion that there are long-felt but unsolved needs met by the present invention. It is common knowledge that the wagering industry is quite lucrative and extremely profitable for gaming establishments such as casinos. To that end, any given casino is desirous of gaining players/patrons and extending/maximizing the amount of time a player spends wagering at a casino. It is well known in the art that casinos have dedicated considerable resources to the development and enhancement of a player tracking system in an effort to extend player

wagering. If the claimed invention were obvious as argued in the Office Actions of March 9, 2006 and April 16, 2007, it is highly probably that the claimed method would have already been invented by one of the aforementioned well funded casinos. Certainly, such gaming establishments and related suppliers had the funds and motivation to develop such a method but failed to do so. For at least this reason, Applicant respectfully submits that the claimed invention is NOT obvious in view of the cited references.

Finally, prima facie obviousness requires that there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the references. This motivation-suggestion-teaching test informs the Graham analysis. "To reach a non-hindsight driven conclusion as to whether a person having ordinary skill in the art at the time of the invention would have viewed the subject matter as a whole to have been obvious in view of multiple references," there must be "some rationale, articulation, or reasoned basis to explain why the conclusion of obviousness is correct." In re Kahn, (Fed. Cir. 2006). The recent *KSR International* decision by the Supreme Court has not eliminated the motivation-suggestion-teaching test to determine whether prior art references have been properly combined. Rather, in addition to the motivation-suggestion-teaching test, the Court discussed that combinations of known technology that are "expected" may not be patentable. Stated in the affirmative, therefore, combinations are nonobvious and patentable if unexpected. In the present application, no single prior art reference nor any combination thereof (legitimate or otherwise) meets the claimed limitations of Applicant's invention.

Response to Examiner's Remarks Regarding the terms "player" and "gaming activity"

Applicant respectfully disagrees with the Examiner's interpretation of the claim terms "player" and "gaming activity." According to page 8 of the instant Office Action:

> The Office would also like to state that this rejection is still valid since the claim language remains broad and are interrupted [sic] reasonably. **The following terms are comparable: 'player' and casino**, person, user, member and any other term that describes an entity that is involved & influential in an activity. **The same is also considered for 'gaming activity'** and **product sales, profit, comps, commission and any term that describes acquiring money** since a casino makes a profit when a person plays the casino games or 'gaming activity.' [emphasis added]

The Office Action does not provide any basis for defining "player" or "gaming activity" in such an overly broad manner. Moreover, the above stated interpretation is inconsistent with the commonly accepted meaning of both of the terms. Accordingly, the terms "player" and "gaming activity" have not been interpreted reasonably.

It should be noted that the Applicant has not used the terms "player" and "gaming activity" in any manner that is at odds or inconsistent with the ordinary meaning of the terms. Furthermore, the Applicant has not provided or attempted to provide any definition for "player" and "gaming activity," much less a definition for the terms that is inconsistent with the ordinary meaning of the terms. In fact, in order for an applicant to act as his or her lexicographer, it is necessary for the applicant to **expressly** and **specifically** do so. According to 706.03(d) of the MPEP, ¶ 7.34.02 Terminology Used Inconsistent with Accepted Meaning, "[w]here applicant acts as his or her own lexicographer to specifically define a term of a claim contrary to its ordinary meaning, the written description must clearly redefine the claim term and set forth the uncommon definition so as to put one reasonably skilled in the art on notice that the applicant

intended to so redefine that claim term. *Process Control Corp. v. HydReclaim Corp.*, 190 F.3d 1350, 1357, 52 USPQ2d 1029, 1033 (Fed. Cir. 1999). Clearly, the Applicant in the instant case has not defined the terms "player" and "gaming activity" or provided any basis for the claim terms to be interpreted set forth above.

It is not reasonable, nor is there any basis to interpret the term "player" so broadly as to include a "casino." Such a broad definition is also inconsistent with the common meaning of the term "player." For example, several governmental agencies and regulatory bodies would likely disagree that a "casino" is comparable or equivalent to a "player." Additionally, there is no support for the proposition that a "player" is comparable or equivalent to "any other term that describes an entity that is involved & influential in an activity."

Additionally, it is not reasonable, nor is there any basis to interpret the term "gaming activity" so broadly as to be comparable or equivalent to "product sales, profit, comps, commission and any term that describes acquiring money." Again, the aforementioned governmental entities would also be likely to disagree with the proposition that "gaming activity" is comparable or equivalent to "product sales, profit, comps, commission and any term that describes acquiring money."

While it is the prerogative of an applicant to be his or her own lexicographer, there does not appear to be any rule or statutory basis that provides the U.S. Patent Office with the same option. Thus, the interpretation of "player" and "gaming activity" that is set forth on page 8 of the Office Action, which is both overly broad and contrary to the ordinary meaning, cannot stand. Accordingly, the term "player" must be interpreted in such a manner as NOT to include "casino" or "any other term that describes an entity that is involved & influential in an activity." For at least the same reasons, "gaming activity" must be interpreted in such a manner so as not

to include "product sales, profit, comps, commission and any term that describes acquiring money."

Claims 1 and 21

Claim 1 provides a method of operating a gaming system, the gaming system comprising a player tracking system (PTS) having a PTS database capable of storing player profile fields therein, said player being tracked by said PTS being either a sponsoring player or a recruited player, said method comprising:

> creating at least one additional field for each player profile to store information identifying a recruited player's sponsoring player;
>
> receiving information relating to the recruited player for the purpose of populating the recruited player profile and wherein said received information includes **information identifying a sponsoring player**;
>
> establishing recruited player criteria;
>
> accepting a recruited player into the PTS that meets the recruited player criteria;
>
> populating and storing a player profile in said PTS database corresponding to said received information from said recruited player;
>
> recording each player's gaming activity collected by said PTS database in each player's profile; and
>
> offering ongoing, typically complimentary, benefits to the recruited player's sponsoring player based on the gaming activity of said recruited player.

Claim 21 provides computer readable storage medium having stored thereon a computer program for implementing a method of operating a gaming system. It should be noted that with the exception of the step of "accepting a recruited player into the PTS that meets the recruited player criteria" as recited in claim 1, all other steps are present in claim 21.

The Boushy Reference

The Boushy reference discloses a player tracking system ("PTS") including "[a] system and method for implementing a customer tracking and recognition program that encompasses customers' gaming and non-gaming activity alike at a plurality of affiliated casino properties." [See Boushy abstract]. The Boushy reference discloses a system whereby players who opt to become members of casino/establishment's 'PARTNERSHIP' system, "are awarded points, based on their tracked activity at all affiliated casino properties." [Id.]

While Boushy discloses a player tracking system, Boushy does not teach, disclose or suggest establishing a link between player records. Page 3 of the Office Action correctly notes, ". . . Boushy's teachings are directed specifically towards the operation of a casino management system and **does not incorporate** teachings of the techniques found with regard to marketing and advertising programs that are **offered to a player**."

Moreover, page 3 of the March 9, 2006 Office Action concedes that ". . . Boushy is silent with regard to the implementation of a **differentiation with a sponsoring player or a recruited player** and **creating associations between players** identifying the recruited player and sponsored player relationships." In view of the fact that Boushy does not disclose, teach or suggest differentiation with a sponsoring player or a recruited player there is no reason to create an association between players. Thus, Boushy does not disclose, teach, or suggest the steps of "creating at least one additional field for each player profile to store information identifying a recruited player's sponsoring player" or "receiving information relating to the recruited player for the purpose of populating the recruited player profile and wherein said received information includes information identifying a sponsoring player" recited by claims 1 and 21.

The Bentz Reference

The Bentz article describes an online affiliate program where a commission is paid to an affiliate based on profits of product sales. According to the Bentz reference, a successful affiliate program "has to be a win-win for all: the **business owner**, the **affiliate** and the **customer**." [emphasis added]. In the traditional affiliate program, the affiliate is rewarded with a **sales commission** based on **profits** realized by the **business owner** from **product sales**. The Bentz reference describes an affiliate program as entailing ongoing marketing and sales efforts on the part of the affiliate and suggests that it is in the business owner's interest to properly equip the affiliate with marketing tools for use in the affiliate's ongoing efforts:

> Equipping your affiliates with **marketing** tools is vital for your success. Customarily sending a monthly email about the best links and special offers is a good beginning, too. Fuel your affiliates with promotional ideas to use their marketing tools smarter.

The Bentz reference also discloses a multi-tiered affiliate approach which rewards the original (sponsor) affiliate with a portion of **commissions** based on the **profits** from **product sales** attributed to ongoing sales and marketing efforts of any affiliate that is recruited by the original affiliate in addition to the original affiliate's own commission. According to Bentz, "[a] tiered payment structure, for the affiliate means that he/she is **always getting paid for their hard work**. (Why shouldn't an affiliate be entitled to the commission of an affiliate that they recruited?)"

It is important to note that claims 1 and 21 recite the words "**player**" and "**gaming activity**." Gaming and a player's "gaming activity" are not product sales, nor are they analogous to product sales. The claims do not recite any step involving **sales**. Furthermore, the claims do not recite any step involving a **commission** based on **profit** from **product sales.** Claims 1 and 21 recite:

recording each player's **gaming activity** collected by said PTS database in each player's profile; and
offering ongoing, typically complimentary, benefits to the recruited player's sponsoring player based on the **gaming activity** of said recruited player.

Accordingly, the product sales and commissions of the tiered affiliate network of the Bentz reference are not analogous to, nor does the reference disclose, teach, or suggest the "player" and "gaming activity" recited in the steps of claims 1 and 21.

While Bentz discloses association of two affiliate accounts (recruited affiliate with original sponsoring affiliate), the association of affiliate accounts in a tiered affiliate network is not analogous, nor does it disclose, teach, or suggest associating a sponsor player with a recruited player. Thus, association of two affiliate accounts does not disclose the recited steps of "creating at least one additional field for each player profile to store information identifying a recruited player's sponsoring player;" and "receiving information relating to the recruited player for the purpose of populating the recruited player profile and wherein said received information includes information identifying a sponsoring player;" as recited by claims 1 and 21.

Unlike the method of claim 1 and computer readable medium of claim 21, the very nature of an affiliate program requires **ongoing effort** on the part of the affiliate in order to continue receiving a **commission** based on profit from **product sales**. According to claims 1 and 21, once a player has been recruited, for example, the wagering establishment/casino performs the step of "offering ongoing, typically complimentary, **benefits to** the recruited player's **sponsoring player based on the gaming activity of said recruited player**." Simply put, unlike sales commissions based on profits from product sales disclosed in the Bentz reference, according to claims 1 and 21 the sponsoring player does not have to do anything (on an ongoing basis or otherwise) to get benefits from the host casino based on the gaming activities of the recruited player.

Thus, the multi-tiered affiliate network of the Bentz reference **is not** analogous, nor does it disclose, teach, or suggest claims 1 and 21. The multi-tiered affiliate program of the Bentz reference does not feature any participants (business owner, customer, sponsor affiliate, recruited affiliate) that are analogous to the "sponsoring player or a recruited player" as recited in the preamble of claims 1 and 21. Additionally, the **commission** based on **profits** from **product sales** that are attributed to ongoing efforts on the part of an affiliate are not the "ongoing, typically complimentary, benefits" recited in claims 1 and 21.

Combination of Boushy and Bentz References

With respect, it is unclear to the Applicant how the teachings of the Boushy reference can be combined with the teachings of the Bentz reference. One skilled in the art would not have any motivation to combine two or more references with incompatible teachings. Specifically the Office Action does not provide any basis or suggestion how one skilled in the art could combine the player tracking system of the Boushy reference with the multi-tiered affiliate network of the Bentz reference. Thus, one skilled in the art would not be motivated to attempt to combine the two cited references.

Assuming, arguendo, that the incompatible teachings of the cited references could be combined, the resulting combination does not disclose, teach, or suggest the method recited in claim 1 or the computer readable medium of claim 21. At best, the combination of the player tracking system of the Boushy reference and the sales commission from product sales from the multi-tiered affiliate network of the Bentz article produces a player tracking system that rewards players with a commission based on profit from product sales that are attributable to the marketing efforts of the player. Additionally, the combination would provide an original sponsor

player with a commission based on profits from product sales that are attributable to ongoing marketing efforts of the recruited player.

In practice, according to the **fictitious combined** commission and PTS system, a player/affiliate would receive a commission based on the profit from sales of products (keepsakes, bath robes, etc.) from the casino gift shop where the sales are attributable to the ongoing efforts of the player. Additionally, the original (sponsoring) player would receive a commission based on the profits sales of products (keepsakes, bath robes, etc.) from the casino gift shop for sales that are attributed to the marketing efforts of the recruited player.

At best, the combination would still not disclose, teach, or suggest the following steps of claims 1 and 21:

> creating at least one additional field for each player profile to store information identifying a recruited player's sponsoring player;
>
> receiving information relating to the recruited player for the purpose of populating the recruited player profile and wherein said received information includes information identifying a sponsoring player;
>
> offering ongoing, typically complimentary, benefits to the recruited player's sponsoring player based on the gaming activity of said recruited player

Therefore, combining Boushy with Bentz does not disclose, teach, or suggest all of the recited steps of claims 1 or 21. For at least the aforementioned reasons, Applicant respectfully requests withdrawal of the standing rejection to claims 1, 2, and 21.

The § 103 Rejection over Boushy et al., Bentz, in view of Messer et al.

Claims 3 – 20 and 22 – 30 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Boushy et al in view of Bentz, further in view of Messer et al. (U.S. Patent Application Publication No. 20040111381). Claims 3 – 20 and 22 – 30 depend from independent claims 1

and 21 respectively and are allowable over the combination of the cited references for at least the same reasons. In view of the following remarks, Applicant respectfully requests reconsideration and withdrawal of this rejection.

Applicant respectfully submits that a prima facie case of obviousness has not been established because Boushy et al., Bentz, in view of Messer et al, individually and in combination, fail to teach or suggest the claimed invention.

Messer et al

Messer describes a communications network that "tracks and manages Merchant and Affiliate promotional efforts in a seamless, integrated fashion." According to Messer, "[o]perative characteristics include central control over new, Rich Media promotional links, allowing sophisticated promotions employing Java-based presentations or similar to be easily applied across a broad network of connected Affiliate sites." The Messer explains the operation of the affiliate tracking system as:

> The system, at its more fundamental level, provides tracking and reporting capabilities for a confluence of participating Merchants and Affiliates. In this way, select promotions are deployed at Web Sites throughout the Internet, and link back, first through the Clearinghouse, and then to the Merchant sites to permit commerce on the **promoted products**, with **commissions** credited to the appropriate sourcing Web Site

In sum, the Messer reference discloses a computer software implemented system for monitoring and managing an online affiliate network with a mechanism to allocate **commissions** for **product sales** attributed to an affiliate referral.

Combination of the Boushy, Bentz, and Messer References

The affiliate tracking system of the Messer reference is largely cumulative in view of the Benz reference. It is not disputed that the teachings of the Messer reference are compatible with

the system of the Bentz reference. The networked, software based system for tracking affiliate commissions described by Messer reference is clearly compatible with the multi-tiered affiliate program/operation described by Bentz. Nonetheless, just as stated above, it is unclear how (or why) the Bentz/Messer teachings could be combined by one of skill in the art with the teachings of the Boushy reference. One skilled in the art would not have any motivation to combine the incompatible teachings of the cited references. The Office Action does not provide any basis or suggestion how one skilled in the art could combine the player tracking system of the Boushy reference with the multi-tiered affiliate program of the Bentz reference and the affiliate commission allocation tracker system of Messer. Thus, one skilled in the art would not be motivated to attempt to combine the incompatible teachings of the above cited references.

Assuming, arguendo, that the incompatible teachings of the cited references could be combined, the resulting combination does not disclose, teach, or suggest the method recited in claim 1 or the computer readable medium of claim 21. Claims 3-20 and 22-30 depend from claims 1 and 21 respectively. At best, the combination of the player tracking system of the Boushy reference, the sales commission from product sales from the multi-tiered affiliate network of the Bentz article, and the system to allocate sales commissions from product sales to an affiliate described in the Messer reference produces a player tracking system that rewards players with a commission based on profit from product sales that are attributable to the marketing efforts of the player using a computer based system to allocate the sales commission to the appropriate player. Additionally, the combination would provide an original sponsor player with a commission based on profits from product sales that are attributable to ongoing marketing efforts of the recruited player using the aforementioned computer based system to properly allocate the commission.

According to the **fictitious combined** commission program, PTS system, and computerized commission allocation system, in operation, a player/affiliate would receive a commission based on the profit from sales of products (keepsakes, bath robes, etc.) from the casino gift shop where the sales are attributable to the ongoing efforts of the player using the computerized commission allocation system. Additionally, the original (sponsoring) player would receive a commission based on the profits sales of products (keepsakes, bath robes, etc.) from the casino gift shop for sales that are attributed to the marketing efforts of the recruited player using the computerized commission allocation system.

At best, the combination would still not disclose, teach, or suggest the following steps of claim 1:

> creating at least one additional field for each player profile to store information identifying a recruited player's sponsoring player;
>
> receiving information relating to the recruited player for the purpose of populating the recruited player profile and wherein said received information includes information identifying a sponsoring player;
>
> offering ongoing, typically complimentary, benefits to the recruited player's sponsoring player based on the gaming activity of said recruited player

Therefore, combining Boushy, Bentz, and Messer does not disclose, teach, or suggest all of the recited steps of claims 1 and 21. Thus, by extension, the above mentioned combination does not disclose, teach, or suggest all of the recited steps of claims 3 – 20 and 22 – 30. For at least the aforementioned reasons, Applicant respectfully requests withdrawal of the standing rejection to claims 3 – 20 and 22 - 30.

Conclusion

Applicant respectfully submits the claims are in condition for formal allowance which is courteously solicited. If any issue regarding the allowability of any of the pending claims in the

present application could be readily resolved, or if other action could be taken to further advance this application such as an Examiner's amendment, or if the Examiner should have any questions regarding the present amendment, it is respectfully requested that the Examiner please telephone Applicant's undersigned attorney in this regard. The Examiner's attention is also drawn to the proper correspondence address shown below. Should any fees be necessitated by this response, the Commissioner is hereby authorized to deduct such fees from Deposit Account No. 11-0160.

Respectfully submitted,

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